NINTH AMENDMENT TO THE MASTER SERVICES AGREEMENT

between

THE STATE OF TEXAS, ACTING BY AND THROUGH THE TEXAS DEPARTMENT OF INFORMATION RESOURCES

and

XEROX STATE & LOCAL SOLUTIONS, INC. f/k/a ACS STATE & LOCAL SOLUTIONS, INC.

This Ninth Amendment ("Amendment") is to the Master Services Agreement ("**Agreement**"), executed December 30, 2011, between the State of Texas, acting by and through the Texas Department of Information Resources ("**DIR**"), with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Xerox State & Local Solutions, Inc. f/k/a ACS State & Local Solutions, Inc. ("**Service Provider**"), a New York corporation, with offices located at 8260 Willow Oaks Corporate Drive, Suite 600, Fairfax, Virginia 22031.

RECITALS

WHEREAS, the Parties entered into the Agreement for Data Center Services dated December 30, 2011, with an anticipated Commencement Date of July 1, 2012;

WHEREAS, the incumbent provider (IBM) of Data Center Services concluded its tenure prematurely on April 30, 2012 and in order to provide essential data center services beginning May 1, 2012, DIR required a short-term agreement for Service Provider, First Amendment, to provide Interim, Walk In Take Over (WITO) services for Data Center Services operations;

WHEREAS, as a result of those additional services provided per WITO and to ensure the provision of data center services under this Agreement henceforth, the Parties required and agreed upon a Second Amendment in which major contract milestones and deliverables were realigned to account for the additional resources required for WITO;

WHEREAS, a Third Amendment was required to align provisions in **Exhibit 3** related to the implementation of Service Level Credits, establish all remaining associated cost to the Parties relating to the previous provider's (IBM) disentanglement, establish pricing structure for new enterprise-wide email service delivery options and realign project pool hours applicable to server services;

WHEREAS, a Fourth Amendment was necessary to include a definition of DCS Customer along with various other changes intended to enhance the overall delivery of services;

WHEREAS, the Fifth Amendment provided for the manner by which Service Level Agreements (SLA's) are modified and the actual modification of certain SLA's;

WHEREAS, a Sixth Amendment provided contract updates as a result of "true-up" and additional details regarding the enterprise-wide email service delivery; and

WHEREAS, a Seventh Amendment provided for the implementation of Oracle's Exadata Services solution along with other minor changes to align Agreement with the other Service Provider Agreements;

WHEREAS, an Eighth Amendment provides for changes to audit requirements for subcontractors, the frequency and nature of certain required reports/plans and meetings, the addition or modification of certain services, including: appliances, Tier 3R storage, checkpoint storage for Enterprise File, and WAAS. In addition, a restructuring of the back-up and recovery milestones and associated payment, the provisioning of pool hours for the purposes of providing solution architecture services for RFS, and other minor changes to align the Agreement with the other Service Provider Agreements;

WHEREAS, this Ninth Amendment provides for changes necessary as a result of certain promises and covenants made by Xerox State and Local Solutions and its Successor Service Provider in exchange for DIR's consent to assign the Agreement to said Successor Service Provider, including changes to key personnel and personnel projection matrix, minimum personnel requirements, enhanced SLAs for solution proposal delivery, and additional commitments for new customer acquisition.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

- I. <u>Section 8.1(a)</u> (Approval of Key Service Provider Personnel) of the Agreement is hereby deleted in its entirety and replaced with the following:
 - Approval of Key Service Provider Personnel. At a minimum, Service Provider shall designate Key Service Provider Personnel who, unless otherwise agreed by DIR, shall maintain his or her office in Austin, Texas. The positions designated by DIR to be filled by the Key Service Provider Personnel and the Key Service Provider Personnel that have been selected and approved by DIR as of the ARCA Effective Date are identified in Attachment 5-A. At least thirty (30) days prior to assigning an individual to act as one of the Key Service Provider Personnel, whether as an initial assignment or a subsequent assignment, Service Provider shall notify DIR of the proposed assignment, shall introduce the individual to appropriate DIR representatives, shall provide reasonable opportunity for DIR representatives to interview the individual and shall provide DIR with a resume and such other information about the individual as may be reasonably requested by DIR. If DIR in good faith objects to the proposed assignment, the Parties shall attempt to resolve DIR's concerns on a mutually agreeable basis. If the Parties have not been able to resolve DIR's concerns within five (5) Business Days of DIR communicating its concerns, Service Provider shall not assign the individual to that position and shall propose to DIR the assignment of another individual of suitable ability and qualifications. DIR may add, delete or otherwise change the positions to be filled by Key Service Provider Personnel under this Agreement with Service Provider's reasonable approval. "
- II. <u>Section 8.6(d)</u> (Personnel Projection Matrix) of the Agreement is hereby deleted in its entirety and replaced with the following:
 - (d) Personnel Projection Matrix. Set forth in <u>Attachment 5-B</u> is a staffing plan showing the planned deployment of Service Provider Personnel (the "Personnel Projection Matrix"). Service Provider shall comply with the Personnel Projection Matrix, and shall not make material changes

to such plan without DIR's prior approval, which shall be based on DIR's reasonable satisfaction that such changes shall not have an adverse impact on Service Provider's ability to timely perform its obligations under the Agreement. For purposes of this provision, in any event a material change shall be deemed to have occurred in the case of the following:

- (i) prior to the end of Contract Year one, the number of Service Provider Personnel is five percent (5%) or more below the annual totals reflected for such period in any of the "Grand Totals" in the Personnel Projection Matrix for (A) the combined "Current DCS Employees," and "Current DCS Contractors" categories, (B) the "Service Provider FTPs Service Delivery" category, and (C) the "Service Provider FTPs Transition/Transformation" category;
- (ii) during Contract Years two or three, the number of Service Provider Personnel is ten percent (10%) or more below the annual totals reflected for such period in any of such Grand Totals described in clause (i); or
- (iii) during Contract Year four, the number of Service Provider Personnel is fifteen percent (15%) or more below the annual totals reflected for such period in any of such Grand Totals described in clause (i): or
- (iv) after Contract Year four, the number of Service Provider Personnel is twenty-five percent (25%) or more below the annual totals reflected for such period in any of such Grand Totals described in clause (i).

In calculating any percentage decrease for purposes of the foregoing, the numbers in the Personnel Projection Matrix shall be adjusted appropriately to account for any material and sustained increase or decrease in the required level of Services above or below the Resource Baselines as of the Effective Date (including New Services). The Parties agree that the review and approval of the Personnel Projection Matrix and changes in the Personnel Projection Matrix by DIR shall not be construed as joint employment of the Service Provider Personnel. During the first twelve (12) months following the Commencement Date, any changes, material or otherwise, to the deployment of Service Provider Personnel shall be reported by Service Provider to DIR within five (5) days following the end of each month in which such changes occurred, and after such twelve (12) month period, Service Provider shall report all material changes in the number of Service Provider Personnel within the tenth (10th) Business Day following the end of each month in which such changes occurred. In addition, for a period of twenty-four (24) months following the Commencement Date, Service Provider shall provide DIR with a report by the tenth (10th) Business Day following the end of each month identifying the Transitioned Employees who were terminated for cause or performance during that month or who otherwise left Service Provider's employment during that month.

- III. Section 20.1(a) of the Agreement (Termination for Cause) is hereby amended by as follows:
 - (a) **By DIR**. If Service Provider:
 - (i) commits a material breach of its obligations with respect to the Transition Services or the Transformation Services as provided in <u>Sections 4.2(g)</u> and <u>4.3(h)</u> as applicable and such breach is not cured within the applicable timeframe for cure provided in such provision;

- (ii) commits a material breach of this Agreement, which breach is not cured within thirty (30) days after notice of the breach from DIR;
- (iii) commits a material breach of this Agreement which is not capable of being cured within the period specified pursuant to **Section 20.1(a)(ii)**;
- (iv) commits numerous breaches of its duties or obligations which collectively constitute a material breach of this Agreement and Service Provider fails to do both of the following: (A) cure each such breach within thirty (30) days of notice thereof; and (B) develop within fifteen (15) days following written notice of breach from DIR a complete plan reasonably acceptable to DIR for curing the breach and correcting the deficiencies causing such breaches on a permanent basis; provided, however, this **Section 20.1(a)(iv)** shall in no manner limit (X) DIR's right of termination pursuant to any other provision of this **Section 20.1(a)**, or (Y) Service Provider's obligation to cure individual nonmaterial breaches of this Agreement;
- commits a series of persistent non-material breaches under that certain

 Amendment, Ratification and Consent to Assignment Agreement by and among

 Xerox State and Local Solutions, Inc., [Atos Origin Newco], and the State of

 Texas acting by and through the Texas Department of Information Resources,

 dated April [], 2015 (the "ARCA Agreement"), which collectively constitute

 a material breach of this Agreement and Service Provider fails to do both the

 following: (A) cure each such breach within thirty (30) days of notice therefor;

 and (B) develop within fifteen (15) days following written notice of breach,

 detailing such breaches, from DIR a complete plan reasonably acceptable to DIR

 for curing the breach and correcting the deficiencies causing such breaches on a

 permanent basis; provided, however, this Section 20.1(a)(v) shall in no manner

 limit (X) DIR's right of termination pursuant to any other provision of this

 Section 20.1(a), or (Y) Service Provider's obligation to cure individual

 nonmaterial breaches of this Agreement;"
- (vi) becomes liable for or incurs Service Level Credits under this Agreement that, in the aggregate, exceed fifty percent (50%) of the cumulative and annualized At Risk Amount during any rolling six (6) month period (exclusive of any earnback during such period);
- (vi)(vii) fails to perform in accordance with the Minimum Service Level for same Critical
 Service Level for three (3) consecutive Measurement Windows or during four (4)
 of any six (6) consecutive Measurement Windows (provided that the applicable
 Measurement Window is at least one month in duration);

(viii)commits a material breach of Section 15.8 of this Agreement; or

then DIR may, upon notice to Service Provider, terminate this Agreement, in whole or in part, as of the termination date specified in the notice. The express acknowledgment that a certain amount of Service Level Credits or number of Service Level defaults constitutes grounds for termination under Sections 20.1(a)(vi) and (vii) does not imply that a lesser amount or number cannot constitute a material breach of this Agreement and therefore grounds for termination under other Subsections.

IV. <u>Section A.4.4.1</u>, Additional Customers of <u>Exhibit 2.1.2</u>, Cross-functional Services Service Component Provider Statement of Work is hereby amended as follows:

Service Provider responsibilities include:

- 1. Support new business development through incremental resources, to include but not limited to, one or more solution architects and, pricing analyst to assist in describing services and provide technical and pricing proposals, as well as plans for transition to interested new DCS Customers.
 - 1.1 Engage in activities relative to planning and developing solutions for proposals
- 1. Describe Services to potential additional DIR Customers
- 2. Provide proposals for transition to potential DIR Customers
- 3.2.Add new users and organizations to its existing Service Provider systems and tools (e.g. Portal) used to provide Services.
- 4.3.Add new sites and equipment into its existing Service Provider system and tools (e.g. CMDB) used to provide Services.
- 5.4.Make changes to Service Provider descriptors (e.g. name changes) associated with DIR and DIR Customers.
- V. General Terms and Conditions
 - (a) Capitalized terms not defined herein shall have the same meanings as set forth in the Agreement.
 - (b) The Exhibits and Appendices to this Amendment shall be incorporated into and deemed part of this Amendment and all references to this Amendment shall include the Exhibits and Appendices to this Amendment. This Ninth Amendment amends the Agreement and the exhibits, appendices, schedules and attachments thereto all of which are incorporated into and deemed part of the Agreement.
 - (c) This Amendment is subject to the terms of the Agreement, except as otherwise indicated herein. The Parties agree that, notwithstanding anything to the contrary in the Agreement, the Parties are entering into this Ninth Amendment for the specific purpose of (i) amending, supplementing, deleting and replacing specific terms and conditions of the Agreement as set forth in this Ninth Amendment and (ii) superseding the Agreement to the extent (1) necessary to give full effect to the terms and conditions of this Ninth Amendment and (2) such terms and conditions of the Agreement conflict with the terms and conditions of this Ninth Amendment. Except as contemplated by the immediately preceding sentence, all other provisions of the Agreement not specifically amended hereby remain in full force and effect. In the event of conflict among provisions, the provisions of this Ninth Amendment shall take precedence over the terms of the MSA.

IN WITNESS WHEREOF, Service Provider and DIR execute this Amendment effective April 21, 2015.

THE STATE OF TEXAS,

acting by and through THE TEXAS DEPARTMENT OF INFORMATION RESOURCES

By: signature on file CH

Name: Sally Ward

Title: Director of Data Center Services

XEROX STATE & LOCAL SOLUTIONS, INC.

By: _____signature on file_____

Name: David Hubicki

Title: Senior Vice President